

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7279

BILL NUMBER: HB 1227

DATE PREPARED: Dec 31, 1998

BILL AMENDED:

SUBJECT: Heritage Trust State Parks License Plates.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill creates a second environmental license plate. It requires the Auditor of State to deposit money raised by the sale of the plate in the state parks special revenue fund.

Effective Date: July 1, 1999.

Explanation of State Expenditures: Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, would charge the BMV \$2.60 per plate if the newly created plate is not a special recognition plate. If the newly created license plate is a special recognition plate, PEN Products' charge would be based on the number of colors in the design as shown in the schedule below:

Colors	Set-Up Charges	Price Per Plate (99-01)*
1	\$105	\$3.90
2	170	4.00
3	235	4.10
4	300	4.30
5	365	4.60
6	430	5.00

*For the 1999-2001 Biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$70 per hour charge. Origination Fees include the film positives and the silk screen charges. The fund affected for PEN Products is PEN Products Revolving Fund. The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV. There will computer and accounting changes for the BMV.

A license plate is designated as a special recognition license plate if: (1) a special group recognition plate is required by statute; (2) a special group recognition license plate is requested by resolution of the General Assembly; or (3) representatives of a special group petition the Bureau of Motor Vehicles. If the plate is not designated as a special recognition plate, the above costs will not apply. The cost will be \$2.60 per plate. The reason for the price differential is that general issue plate sheeting is used for the non-special recognition plates.

Explanation of State Revenues: In 1997, 85,499 Environmental License Plates were sold. Revenue from the sales of this plate totaled \$2,137,475 which was deposited into the Heritage Trust. Sales for the newly created plates are not known. Revenue from the newly created plate would be deposited in the State Parks Special Revenue Fund. It is possible, to some extent, that the sales of the newly created plate could supplant the sales of existing environmental license plate, along with other special issue license plates.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Auditor of State; Department of Natural Resources Division of State Parks.

Local Agencies Affected:

Information Sources: BMV; Becky Gillam, Director of Sales and Marketing of PEN Products, 387-2020.